



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Corporate Head Office: Suite 200B, Centre of Commerce, One Bay Street,
PO Box N-3944, Nassau, Bahamas. Email: tradegroup@hammersmith.biz
WWW: hammersmithltd.blogspot.com SKYPE: bacon39a

Representative Office: +33.9.7044.4881 Mobile: +33.6.8068.4564
3 Avenue Marie Gasquet, St Remy de Provence, 13210 France

WEEKLY FEED GRAIN AND PROTEIN REPORT March 23, 2019

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

China bought some US corn – not as much as the rumors had been saying but still better than nothing. The China sale and the flooding in the US corn belt was enough to push corn prices higher and add a few dollars to the export basis. The concern with the flooding is both the possible delay to corn planting and the difficulty in getting corn to ethanol facilities. It is reported that several ethanol facilities have had to close down due to the flooding, especially in Nebraska, Iowa and South Dakota.

US corn prices were up USD 2 to 4 m/t on the week, but the flood effect could push prices higher.

Soybean prices in the US were down on the week as large stocks and lower than forecasted export sales tried to squash prices a little. Some experts are saying the US soybean plantings could be lower than current forecasts as farmers see more hope with corn than with soybeans. However, at least one trade report did say that the flooding in the corn belt could lead to increased soybean planting as beans can be/are planted later than corn.

Not much happened to wheat prices this week – no major price changes or exciting market news – at least not enough to do much to wheat prices.

Estimated Bulk Grain Freight in USD per m/t, basis heavy grains

US Gulf to Europe: 60/70,000 (10,000 disch)	\$16/17.00	Steady	x
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$16/17.00	Steady	x
US Gulf Israel: 50,000 m/t	\$29/30.00	Up \$2.00	x
US Gulf to Egypt: Panamax (6,000 disch)	\$28/29.00	Up \$2.00	X
US Gulf Turkey: 50,000 m/t	\$30/31.00	Up \$2.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$35/36.00	Up \$1.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$33/34.00	Up \$1.00	X
US Gulf Nigeria: 30,000 m/t	\$44/45.00	Steady	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$34/35.00	Steady	X
US Gulf South Africa: 45,000 m/t	\$34/35.00	Steady	X
US Gulf Japan: Panamax	\$41/42.00	Up \$2.00	X
US Gulf China: Panamax	\$40/41.00	Up \$2.00	X
US PNW South Africa – 40,000 m/t	\$37/38.00	Steady	X
US PNW Japan: Panamax	\$23/24.00	Steady	X
US PNW China: Panamax	\$22/23.00	Steady	X
US East Coast Egypt: Panamax	\$43/44.00	Up \$1.00	X
US East Coast Nigeria: Handisize	\$48/49.00	Steady	X
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$15/16.00	Steady	X
France/Germany to Bangladesh: 35/45,000 m/t	\$29/30.00	Steady	X
France/Germany to China: 50,000 m/t	\$36/37.00	Up \$1.00	X
France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$14/15.00	Up \$1.00	X
France/Germany to India: 50,000 m/t	\$20/21.00	Steady	X
France/Germany to Jordan: 35/45,000 m/t (4k disch)	\$20/21.00	Steady	X



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

France/Germany to Morocco: 30,000 m/t (3k disch)	\$13/14.00	Steady	X
France/Germany to Saudi Arabia: 50/60,000	\$25/26.00	Steady	X
France/Germany to South Africa: 30,000 m/t	\$18/19.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$14/15.00	Up \$1.00	X
France/Germany to Yemen: 30,000 m/t	\$30/31.00	Steady	X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$27/28.00	Steady	X
Argentina to China: 50,000 m/t, with top-off	\$30/31.00	Down \$2.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$29/30.00	Down \$2.00	X
Argentina to Egypt: 50,000 m/t	\$31/32.00	Steady	X
Argentina to Europe: 50/60,000 m/t	\$34/35.00	Up \$1.00	X
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$23/24.00	Steady	X
Argentina to Jordan: 50,000 m/t	\$32/33.00	Up \$1.00	X
Argentina to Saudi Arabia: 50,000 m/t	\$34/35.00	Up \$2.00	X
Argentina to South Africa 50,000 m/t	\$31/32.00	Up \$1.00	X
Argentina to Spain: 50,000 m/t	\$34/35.00	Up \$1.00	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$27/28.00	Steady	X
Argentina to US Gulf: 25/35,000 m/t	\$20/21.00	Up \$1.00	x
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$26/27.00	Steady	x
Brazil to China: 55,000 m/t	\$30/31.00	Up \$2.00	X
Brazil to Japan: 55,000 m/t	\$29/30.00	Up \$2.00	X
Brazil to Europe: 50,000 m/t	\$30/31.00	Up \$1.00	X
Brazil to Morocco: 25/30,000 m/t	\$25/26.00	Up \$1.00	X
Brazil to Saudi Arabia 30/40,000 m/t	\$36/37.00	Up \$1.00	X
Brazil to Spain: 50,000 m/t	\$30/31.00	Up \$1.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$29/30.00	Up \$2.00	X
Australia to China: 40-55,000 m/t – round trip	\$18.00/18.50	Steady	X
Australia to Japan: 40-55,000 m/t – round trip	\$19.00/19.50	Steady	X
Australia to Saudi Arabia: 40-55,000 m/t	\$25/26.00	Steady	X
Ukraine to China: 50,000 m/t	\$33/34.00	Up \$1.00	X
Ukraine to Bangladesh: 45,000 m/t	\$33/34.00	Steady	X
Ukraine to India: 45/50,000 m/t	\$30/31.00	Steady	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$15/16.00	Steady	X
Ukraine to East Med: coaster (1,000 disch)	\$28/29.00	Steady	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$20/21.00	Steady	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$15/16.00	Up \$1.00	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$15/16.00	Up \$1.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$28/29.00	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$33/34.00	Steady	X
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$35/36.00	Steady	X
Black Sea to Europe: 50,000 m/t	\$19/20.00	Steady	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$18/19.00	Up \$1.00	X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$19/20.00	Steady	X
Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$25/26.00	Steady	X
Black Sea to Libya: 25/35,000 m/t	\$21/22.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – 50k	\$26/27.00	Steady	X
Black Sea to South Africa – 30,000 m/t	\$38/39.00	Steady	X
Black Sea to Turkey – 30,000 m/t	\$13/14.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$17/18.00	Steady	X



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handysize included)	690	Down 40	X
Baltic Capesize Index (100,000 plus DWT)	251	Down 279	X
Baltic Panamax Index (60,000 to 80,000 DWT)	1027	Up 144	X
Baltic Supramax Index (50,000 to 60,000 DWT)	826	Up 40	X
Baltic Handysize Index (25,000 plus DWT)	455	Up 18	X

FOB port or location specified. Prices in US\$, in metric tons:
 All shipments in bulk grain vessels unless stated otherwise
 (NOLA is New Orleans, Louisiana, USA.)

ALL PRICES ARE FOR April/June 2019

Wheat, USA Soft Red Winter, NOLA	USD 204/207	X
Wheat, USA Hard Red Winter 11 protein -NOLA	USD 222/225	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 219/221	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 226/229	X
Wheat, Romania 12.5 pro	USD 225/228	X
Wheat, Superior, France, Rouen	USD 221/223	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 191/194	X
Wheat, feed, Black Sea	USD 178/182 May/June new	X
Barley, France, Rouen port	USD 206/208	X
Barley, feed, Argentina, up river	USD 178/181	X
Barley, feed, Black Sea, 30,000+	USD 181/184 May/June new	X
Corn, 2YC FOB NOLA USA	USD 178>>174	X
Corn, 3YC FOB USA Pacific northwest	USD 189/192	X
Corn, FOB Argentina port, upriver	USD 167/170	X
Corn, FOB Brazil port	USD 160/162 Aug/Sep	X
Corn, FOB France - Atlantic	USD 200/202	X
Corn, FOB Romania	USD 172/175	X
Corn, FOB Russia	USD 181/184	X
Corn, FOB Ukraine, 30,000+ m/t	USD 174/177	X
Sorghum, FOB Argentina port	USD 173/176	X
Sorghum, FOB Texas	USD 183/186	X
Soymeal, 48% protein, FOB NOLA	USD 351/354	X
Soymeal, 48% protein, USA, Rotterdam	USD 376/379	X
Soymeal, Argentina, Rotterdam	USD 355/358	X
Soymeal, 47% pro, FOB Argentina	USD 326/329	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 350/353	X
Soymeal, 48% protein, FOB Brazil	USD 330/333	X
Soybeans, FOB NOLA	USD 352/355	X
Soybeans, Argentina, FOB	USD 335/338	X
Soybeans, Brazil, FOB	USD 346/349	X
Soybeans, Black Sea	USD no prices	X



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Corn Gluten Meal, USA FOB NOLA	USD 535>>525 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 165>>158 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 220>>214	X

Corn gluten meal prices from the US slipped lower again this week and this 60% protein item is getting to be very, very cost competitive in export markets and this should bring out a good bit of buying interest.

Corn gluten feed prices were also a little lower this week but CGF seems to be working about a USD 5 m/t trading range – up a little then down a little. It was interesting to see, in some information from the US Grains Council, that Bulgaria shipped both corn gluten feed and DDGS to Turkey while Hungary shipped DDGS to both Turkey and Cyprus. Russia also shipped some DDGS to Turkey.

US DDGS prices were steady for March/April but moved higher by about USD 3 to 4 m/t beyond April. DDGS is currently selling in the US at a level above the normal DDGS/Corn relationship. Just like CGF, DDGS seem to be in a trading range of about USD 5 m/t with no indication so far that prices are about to rally or to drop.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 350/360 m/t CNF Asia
Australian MBM 50% protein	USD 390/400 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 560/570 m/t CNF Asia
Australian Poultry Meal, pet food	USD 720/730 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 415/425 m/t CNF Asia
	USD 400/410 to Indonesia
USA Feathermeal, 80% protein	USD 560/570 m/t CNF Asia
USA Poultry Meal, feed grade	USD 525/545 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 720/740 m/t CNF Asia

Once again, this week the animal protein market seemed to be quiet with demand steady but not increasing and prices mainly at the lower end of the trading range. Continued outbreaks of African Swine Fever (ASF) are making the market very nervous and buyer are pulling back on orders.

The Jacobsen report was saying that high cattle slaughter in Australia was putting quite a bit of pressure on prices or at least keeping them from moving higher as is the normal seasonal trend. However, they also point out that the slaughter levels should be dropping as pasture has improved. The rendering production in Australia may be in for some “significant contraction” in the next 12 to 18 months.

Domestic and export US meat and bone meal prices are steady as large supplies keep a lid on any price increases. Feathermeal prices have softened a little in the US and this will be seen in export markets.

The trend for the next few weeks looks to be for steady to lower animal protein export prices – there is just too much supply in most exporting countries.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

The feeling in Peru is that the next fishing season could begin in mid-April after the IMARPE biomass cruise finishes in late March or very early April. The trade is still looking at a quote in excess of 2.0 million m/t of catch, with many focusing on 2.1 to 2.3 mm/t.

According to the MSI Ceres report this week there were some new season orders reported from China that then turned out to be just "fake news". The false news with false prices seemed to scare some buyers who rushed out and bid well below market prices – sellers weren't interested in low bids. Their report also was saying that we may not see any drop in prices into next fishing season, as some had been expecting. The MSI Ceres opinion seems to be that the prices will find it easier to move higher than lower as we get into the next fishing season.

There had also been some expectation in the trade that there would be a good level of pre-sales of fishmeal but that doesn't seem to have happened --- buyers are not rushing forward to pre-book and producers don't seem to have any interest in pre-sales.

There was a report out this week that said the world aquafeed market could reach a value of USD 215 billion by 2024. An extract from the report says that Asia Pacific region currently has demand for 30 million m/t of aquafeed. The extract also suggests that the largest growth will be in the tilapia sector this is said to be because tilapia are easy to grow, have a high survival rate and low production costs. With this size of a market for aquafeed there shouldn't ever be an oversupply of fishmeal.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,820
Danish fishmeal	64% protein	1,500
Peru fishmeal	64% protein	1,470
Chile fishmeal	67% protein	1,530
Iceland fishmeal	70% protein	1,820

PERU "INDICATION" FISHMEAL PRICES:

ALL PRICES SHOWN ARE IN CONTAINER, ON VESSEL, AT ORIGIN --- US DOLLARS
Minimum shipment of 200 m/t for fishmeal

Specification	Price per m/t FOB vessel Peru port	Price per m/t Chile port
65/66 protein	1200/1210 m/t	
67% protein standard steam	1260/1270 m/t	
67% protein 150 TVN	1370/1380 m/t	No prices
67% protein 120 TVN	1410/1440 m/t	1430/1440
67% protein 1000 hist, 120 TVN	1470/1480 m/t	1470/1480
68% protein 500 hist, 120 TVN	1520/1530 m/t	1500/1510
Fish oil, crude bulk	1700/1750	
Fish oil, crude drums	1750/1800	
Fish oil, flexi tank	1850/1900	
Fish oil, Omega 3: 28%EPA/DHA	2200/2400	

INFORMATION: gtee = guarantee, TVN = total volatile nitrogen, hist = histamine



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

The information contained herein is based on sources that we believe to be reliable, but we do not represent that it is accurate or complete. Nothing contained herein should be considered as an offer to sell or a solicitation of an offer to buy. All references to prices are subject to change without notice. Any opinions expressed herein are solely those of the author. As such, they may differ in material respects from those of, or expressed or published by or on behalf of, Hammersmith Marketing Ltd or its officers, directors, employees or affiliates

Copyright © 2019 Wayne S. Bacon